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Security Council

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Note by the President of the Security Council

At its 7488th meeting, held on 20 July 2015 in connection with the item entitled "Non-proliferation", the Security Council adopted resolution 2231 (2015).

In paragraph 4 of the resolution, the Security Council requested the Director General of the International Atomic Energy Agency to provide regular updates to the Council on the Islamic Republic of Iran's implementation of its commitments under the Joint Comprehensive Plan of Action and to report at any time any issue of concern directly affecting fulfilment of those commitments.

Accordingly, the President herewith circulates the report of the Director General dated 26 February 2016 (see annex).

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Annex

Letter dated 26 February 2016 from the Director General of the International Atomic Energy Agency addressed to the President of the Security Council

I have the honour to enclose herewith the document submitted to the Board of Governors of the International Atomic Energy Agency (see enclosure).

I should be grateful if you would bring the present letter and the enclosed document to the attention of all members of the Security Council.

(*Signed*) Yukiya **Amano**

Enclosure

[Original: Arabic, Chinese, English, French, Russian, Spanish]

Verification and monitoring in the Islamic Republic of Iran in light of United Nations Security Council resolution 2231 (2015)*

Report by the Director General

Main Developments

- On 2 December 2015, the Director General provided a report to the Board of Governors on the final assessment of all past and present outstanding issues and, on 15 December 2015, the Board of Governors adopted a resolution in which, inter alia, it noted that all activities in the Road-map had been implemented and that its consideration of this item was closed.
- Between JCPOA Adoption Day and Implementation Day, under Agency verification and monitoring, Iran took steps towards the implementation of its JCPOA nuclear-related commitments.
- On 16 January 2016, the Director General confirmed that the Agency had verified that Iran had taken the actions specified in paragraphs 15.1–15.11 of Annex V of the JCPOA. JCPOA Implementation Day occurred on the same day.
- The Agency continued monitoring and verification in relation to the nuclear-related measures set out in the Joint Plan of Action until 16 January 2016.
- Since Implementation Day, the Agency has been verifying and monitoring the implementation by Iran of its nuclear-related commitments under the JCPOA.

* Circulated to the Board of Governors of the International Atomic Energy Agency under the symbol GOV/2016/8.

A. Introduction

1. This report of the Director General to the Board of Governors and, in parallel, to the United Nations Security Council (Security Council), is on the Islamic Republic of Iran's (Iran's) implementation of its nuclear-related commitments under the Joint Comprehensive Plan of Action (JCPOA) and on matters related to verification and monitoring in Iran in light of Security Council resolution 2231 (2015). It also provides information, inter alia, regarding the clarification of past and present unresolved issues, the Joint Plan of Action (JPA), financial and administrative matters, and the Agency's consultations and exchanges of information with the Joint Commission, established by the JCPOA.

B. Recent Developments

B.1. Clarification of Unresolved Issues

2. On 2 December 2015, the Director General, in line with the Road-map for the clarification of past and present outstanding issues regarding Iran's nuclear programme (Road-map),[1] provided a report to the Board of Governors on the final assessment of all past and present outstanding issues,[2] as set out in the Director General's report in November 2011 (GOV/2011/65). On 15 December 2015, the Board of Governors adopted resolution GOV/2015/72, in which, inter alia, it noted that all activities in the Road-map had been implemented in accordance with the agreed schedule and that "this closes the Board's consideration of this item".[3]

B.2. JCPOA

3. As previously reported,[4] on 14 July 2015, the E3/EU+3 and Iran agreed on the JCPOA. On 20 July 2015, the Security Council adopted resolution 2231 (2015), in which, inter alia, it requested the Director General to "undertake the necessary verification and monitoring of Iran's nuclear-related commitments for the full duration of those commitments under the JCPOA".[5] On 25 August 2015, the Board of Governors authorized the Director General to implement the necessary verification and monitoring of Iran's nuclear-related commitments as set out in the JCPOA, and report accordingly, for the full duration of those commitments in light of Security Council resolution 2231 (2015), subject to the availability of funds and consistent with the Agency's standard safeguards practices; and also authorized the Agency to consult and exchange information with the Joint Commission, as set out in GOV/2015/53 and Corr.1.

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[1] GOV/INF/2015/14.
[2] GOV/2015/68.
[3] GOV/2015/72, para. 9.
[4] GOV/2015/50, para. 11.
[5] The actions requested of the Director General by the Security Council as contained in resolution 2231 (2015) are set out in GOV/2015/53 and Corr.1, para. 8.

B.2.1. Resolution of the Board of Governors

4. In resolution GOV/2015/72, the Board of Governors also decided that, upon its receipt of the Director General's report that the Agency had verified that Iran had taken the actions specified in paragraphs 15.1–15.11 of Annex V of the JCPOA, the provisions of its previous resolutions, and decisions on the provision of technical cooperation for Iran, should be terminated;[6] that it would be no longer seized of the matter "Implementation of the NPT Safeguards Agreement and relevant provisions of Security Council resolutions in the Islamic Republic of Iran"; and that it would become seized of a separate agenda item covering JCPOA implementation and verification and monitoring in Iran in light of Security Council resolution 2231 (2015).[7]

B.2.2. Implementation Day

5. Between JCPOA Adoption Day (18 October 2015) and Implementation Day (16 January 2016), under Agency verification and monitoring, Iran took steps towards the implementation of its nuclear-related commitments under the JCPOA.

6. On 16 January 2016, the Director General, in a report to the Board of Governors and in parallel to the Security Council, confirmed that the Agency had verified that Iran had taken the actions specified in paragraphs 15.1–15.11 of Annex V of the JCPOA.[8] Implementation Day occurred on the same day.[9] The Director General announced that this paved the way for the Agency to begin verifying and monitoring Iran's nuclear-related commitments under the JCPOA, as requested by the Security Council and authorized by the Board of Governors.[10]

7. On 18 January 2016, the Director General had meetings in Tehran with the President of Iran, HE Hassan Rouhani, the Vice-President of Iran and President of the Atomic Energy Organization of Iran, HE Ali Akbar Salehi and the Foreign Minister of Iran, HE Mohammad Javad Zarif, to discuss matters related to JCPOA implementation.

8. During the meeting of the Board of Governors on 19 January 2016, which was convened by the Director General to discuss the implementation of the JCPOA, the Board of Governors expressed support for the JCPOA.

9. On 12 February 2016, the Director General had a meeting in Munich with Dr Zarif to discuss matters related to JCPOA implementation.

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[6] GOV/2015/72, para. 11.

[7] GOV/2015/72, para. 13.

[8] GOV/INF/2016/1.

[9] On Implementation Day, upon the receipt by the Security Council of the Director General's report contained in GOV/INF/2016/1, the provisions of Security Council resolutions 1696 (2006), 1737 (2006), 1747 (2007), 1803 (2008), 1835 (2008), 1929 (2010) and 2224 (2015) terminated in accordance with the terms of resolution 2231 (2015). On the same date, the provisions of the Board of Governors' previous resolutions, and decisions on the provisions of technical assistance to Iran terminated in accordance with paragraph 11 of the Board of Governors' resolution GOV/2015/72. Consequently, the Secretariat's procedures (see GOV/2007/7, para. 7) for the evaluation of technical cooperation for Iran are no longer in effect.

[10] Note by the Secretariat, 2016/Note 5.

B.3. Completion of JPA Monitoring and Verification

10. The Agency continued monitoring and verification in relation to the nuclear-related measures set out in the JPA until the E3+3 and Iran (on behalf of the E3/EU+3 and Iran) informed the Agency that, with the Director General's report (GOV/INF/2016/1) on 16 January 2016 confirming that Iran had completed the necessary preparatory steps to start the implementation of the JCPOA, the JPA was no longer in effect.[11]

B.4. Financial and Administrative Matters

11. The total expenditure incurred by the Agency for monitoring and verification in relation to the JPA and for preparatory activities under the JCPOA, was €15.2 million. Of this amount, €1.0 million was funded from the Regular Budget, while the remainder was funded through extrabudgetary contributions from a total of 31 Member States.

12. The estimated annual cost to the Agency for the implementation of Iran's Additional Protocol and for verifying and monitoring Iran's nuclear-related commitments as set out in the JCPOA is €9.2 million per annum, all of which is to be provided from extrabudgetary funds in 2016. As of 26 February 2016, the total amount available to the Agency for the implementation of the Additional Protocol and for verification and monitoring in relation to the JCPOA was €8.8 million, including the unspent balance of the funds for JPA activities.

13. On 1 March 2016, the Iran Task Force will be replaced by a new Office in the Department of Safeguards to discharge the Agency's responsibilities in relation to verification and monitoring activities in Iran.

C. JCPOA Verification and Monitoring Activities

14. Since Implementation Day, the Agency has verified and monitored Iran's implementation of its nuclear-related commitments under the JCPOA, and reports the following.

C.1. Activities Related to Heavy Water and Reprocessing

15. Iran has not pursued the construction of the existing Arak heavy water research reactor (IR-40 Reactor) based on its original design.[12] Iran has not produced or tested natural uranium pellets, fuel pins or fuel assemblies specifically designed for the support of the IR-40 Reactor as originally designed, and all existing natural uranium pellets and fuel assemblies remained in storage under continuous Agency monitoring (paras 3 and 10).[13]

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[11] GOV/INF/2016/3, Annex.

[12] The calandria was removed from the reactor and rendered inoperable during preparation for Implementation Day and has been retained in Iran (GOV/INF/2016/1, Arak heavy water research reactor, paras. 3(ii) and 3(iii)).

[13] The paragraph references in parentheses throughout Sections C, D and E of this report correspond to the paragraphs of 'Annex I – Nuclear-related measures' of the JCPOA.

facilities for the purpose of converting fuel plates or scrap back into UF_6, nor has it informed the Agency that it has built any new facilities for such a purpose (para. 58).

C.3. Centrifuge Research & Development, Manufacturing and Inventory

24. Since Implementation Day, no enriched uranium has been accumulated through enrichment R&D activities, and Iran's enrichment R&D with and without uranium has been conducted using centrifuges within the limits defined in the JCPOA (paras 32–42).

25. Since Implementation Day, Iran has provided to the Agency declarations of Iran's production and inventory of centrifuge rotor tubes and bellows and permitted the Agency to verify these (para. 80.1). The Agency has conducted continuous monitoring, including through the use of containment and surveillance measures, and verified that the declared equipment has been used for the production of rotor tubes and bellows to manufacture centrifuges only for the activities specified in the JCPOA (para. 80.2). Iran has not produced any IR-1 centrifuges to replace those that have been damaged or failed (para. 62) and the Agency has verified and monitored the production of other types of centrifuge and their rotor tubes and bellows (para. 61). All declared rotor tubes, bellows and rotor assemblies have been under continuous monitoring by the Agency, including those rotor tubes and bellows manufactured since Implementation Day (para. 70).[20]

D. Transparency Measures

26. Iran has continued to permit the Agency to use on-line enrichment monitors and electronic seals which communicate their status within nuclear sites to Agency inspectors, and to facilitate the automated collection of Agency measurement recordings registered by installed measurement devices (para. 67.1). Iran has issued long-term visas to Agency inspectors designated for Iran as requested and provided proper working space for the Agency at nuclear sites and facilitated the use of working space at locations near nuclear sites in Iran (para. 67.2).

27. Iran has continued to permit the Agency to monitor - through measures agreed with Iran, including containment and surveillance measures - all uranium ore concentrate (UOC) produced in Iran or obtained from any other source, and reported by Iran to the Agency. Iran also provided the Agency with all information necessary to enable the Agency to verify the production of UOC and the inventory of UOC produced in Iran or obtained from any other source (para. 69).

[20] Since Implementation Day, the Agency has verified that Iran has manufactured rotor tubes and bellows. On 22 February 2016, Iran declared that it had ceased manufacturing rotor tubes. Verification by the Agency will take place at its next visit.

E. Other Relevant Information

28. On 16 January 2016, as notified in its letter to the Director General of 7 January 2016, Iran began to provisionally apply the Additional Protocol to its Safeguards Agreement in accordance with Article 17(b) of the Additional Protocol, pending its entry into force, and to fully implement the modified Code 3.1 of the Subsidiary Arrangements to its Safeguards Agreement.

29. On 16 January 2016, Iran, as part of its initial declaration under Article 2 of the Additional Protocol and as described in paragraph 52 of Section I of Annex I of the JCPOA, submitted its enrichment and enrichment R&D plan to the Agency (para. 52).

30. On 25 February 2016, the Agency, upon invitation, attended a meeting of the Procurement Working Group of the Joint Commission, as an observer (JCPOA, Annex IV – Joint Commission, para. 6.4.6).

31. On 15 February 2016, Iran provided the Agency with early design information for two planned light water power reactors at Bushehr.

F. Summary

32. The Agency continues to verify the non-diversion of declared nuclear material at the nuclear facilities and locations outside facilities where nuclear material is customarily used (LOFs) declared by Iran under its Safeguards Agreement. Agency activities under the Additional Protocol, to ascertain that there are no indications of undeclared nuclear material or activities in Iran, commenced on 16 January 2016.

33. On 2 December 2015, the Director General provided the Board of Governors with the final assessment of all past and present outstanding issues and, on 15 December 2015, the Board of Governors decided to close its consideration of this item.

34. On 16 January 2016, the Director General released a report stating that the Agency had verified that Iran had taken the actions specified in the JCPOA. Implementation Day occurred on the same day.

35. Since Implementation Day, the Agency has been verifying and monitoring the implementation by Iran of its nuclear-related commitments under the JCPOA.

36. The Director General will continue to report as appropriate.